



STATE OF MONTANA
DEPARTMENT OF ADMINISTRATION
INFORMATION TECHNOLOGY SERVICES DIVISION



Brian Schweitzer
Governor

State Of Montana Department of Labor and Industry IT Plan

FOR FY2010 - FY2015 IT PLAN UPDATE

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EXECUTIVE SUMMARY

The Montana Department of Labor and Industry's (DLI) mission is to promote the well-being and opportunities of Montana's workers, employers, and citizens.

Recent trends of decreasing federal funding, plus federal and state mandates and legislative changes, mean the department must continually assess its business needs and how Information Technology (IT) can evolve to meet the new demand. With change come challenges and opportunities. The ability to maintain a highly skilled IT workforce in spite of potential retirements in our baby boomers presents a unique growth opportunity through what can be perceived as daunting hurdles.

As of January 2009, the department changed to a hybrid information technology support structure and created an Information Technology Steering Committee (ITSC). With this mix of decentralized program support and centralized network/PC infrastructure support, the department's divisions have the ability to respond to programming needs that suit the division while maintaining the central support for consistency and control.

The ITSC is an agency committee that oversees the investment and deployment of technology. The committee operates in whole in an advisory capacity, with decision-making authority at the executive management level. This committee, led by the deputy commissioner, includes business division administrators and the lead IT manager from each division. The ITSC provides agency-wide coordination of technology and ensures that technology supports business initiatives.

The department reorganized twenty-one department information technology FTE into a centralized function to provide infrastructure services to the department. The office provides systems administration, applications development, database administration, and support services to the department and its field offices. The office is responsible for the planning, development, implementation, and maintenance of local and statewide information technology solutions to continually improve services to the department's employees and the public.

We will strive to meet customer expectations for reliable and timely delivery of quality services and information through the following goals and objectives:

1) Develop IT Staff

- i) Prepare Individual Staff Development Plans
- ii) Ensure IT Workforce has Appropriate Access to Training
- iii) Develop Retention and Succession Plans
- iv) Develop IT Career Ladders

2) Use IT Effectively

- i) Provide IT Solutions
- ii) Provide Value to Customers
- iii) Use Teams and Partnerships

3) Promote IT Security, Privacy, and Recovery Efforts

- i) Ensure IT System and Application Security
- ii) Maintain and look for opportunities to improve the Information Technology Disaster Recovery Plan

DLI will work with the state CIO and with the Information Technology Services Division (ITSD) of the Department of Administration (DOA) to uphold the Montana Information Technology Act (MITA) in moving the department forward. We accept the challenges presented and will continue to pursue proactive approaches that promote the department and the IT mission of serving Montana's workers, employers, and citizens to the best of our abilities.

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SECTION 1: AGENCY CONTACT INFORMATION

Agency Name: Department of Labor and Industry

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SECTION 2: AGENCY IT MISSION

2.1 Agency IT Mission Statement

DLI Information Technology (IT) will promote, develop, and use information technology to meet business needs in a fiscally responsible and secure manner. DLI IT will meet or exceed customer expectations for reliable and timely delivery of quality services and information.

SECTION 3: AGENCY SECURITY PROGRAM

3.1 Security Program

The department will establish and implement an information security program that adheres to the State's policy of implementing a National Institute of Standards and Technology (NIST) compliant security program. This program will demonstrate that the department is proactively implementing appropriate information security controls to support our mission in a cost-effective manner, while managing evolving information security risks. The program will ensure the selection and implementation of appropriate security controls and demonstrate the effectiveness of satisfying the stated security requirements. This program will have a defining role in identifying key information security roles and responsibilities, and influences information security policy development, oversight and ongoing monitoring activities.

The department will integrate the information security program with the overall agency structure and activities by ensuring appropriate participation of agency officials in overseeing implementation of information security controls throughout the department. The key activities that facilitate such integration are strategic planning, organizational design and development, establishment of roles and responsibilities, integration with the enterprise architecture, and documentation of security objectives in policies and guidance which include the following:

- Providing information security protections appropriate with the risk and magnitude of the harm resulting from unauthorized access, use, disclosure, disruption, modification, or destruction of information collected or maintained by or on behalf of the department, and on information systems used or operated by the department or by a contractor of the department or other organization on behalf of the department;
- Ensuring that an information security program is developed, documented, and implemented to provide security for all systems, networks, and data that support the department's operations;
- Ensuring that information security processes are integrated with strategic and operational planning processes to secure the department's mission;
- Ensuring that senior agency officials within the department are given the necessary authority to secure the operations and assets under their control;
- Designating an Information Security Manager and delegating authority to that individual to ensure compliance with applicable information security requirements;
- Ensuring that the department has trained personnel to support compliance with information security policies, processes, standards, and guidelines;
- Ensuring that the Information Security Manager, in coordination with the other senior agency officials, reports annually to the agency head on the effectiveness of the department information security program, including the progress of remedial actions; and
- Promote and increase the awareness of the information security program within the department.

SECTION 4: AGENCY IT PLAN – GOALS & OBJECTIVES

4.1 Goals

Goal Number 1:

ITG 1 Develop Information Technology Staff

Description:

DLI will improve the expertise of our IT workforce by achieving efficient, motivated, and well-trained employees with the knowledge, skills, abilities, and competencies to meet our current and future information technology challenges.

Benefits:

This will allow DLI to maintain a skilled and properly staffed IT workforce which benefits our department customers. To reduce costs by completing internally developed technical solutions, to quickly leverage new technologies to provide better services to the citizens of Montana. Incentive to keep employees in our workforce through advanced training opportunities.

Does this goal support the State IT Strategic Plan? Yes. If so, how?

DLI will develop an IT workforce in an organized, deliberative, and cost-effective manner by recruiting, developing, and training DLI IT staff to meet state IT goals.

Supporting Objective/Action

ITO 1-1 Prepare Individual Staff Development Plans

Describe the business requirements or business problem driving this objective:

DLI must meet the needs of its business and customer requirements using staff development plans and just-in-time training to keep pace with rapidly changing technology.

Describe the benefits to be derived from the successful completion of this objective:

This directly benefits the department, as well as employees and supervisors, and indirectly benefits our customers, by having a well-trained, well-rounded, highly productive staff.

Describe the anticipated risks associated with this objective:

By providing appropriate training to staff, DLI risks losing them to other organizations that pay more, however, by not providing appropriate training to staff, we risk not meeting the department's business requirements.

Funding cuts can adversely affect training levels.

Describe how this objective supports the agency IT goal:

A development plan will provide an individualized blueprint for the growth of the individual employee.

What is the timeframe for completion of this objective:

Completed annually and reviewed periodically throughout the year.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Increased level of expertise

- Written plan prepared and discussed between employee and supervisor annually
- Meets or exceeds expectations on performance competencies within annual performance appraisals.

Supporting Objective/Action

ITO 1-2 Ensure IT Workforce has Appropriate Access To Training

Describe the business requirements or business problem driving this objective:

Due to rapidly changing technology, DLI must meet the needs of its business requirements using just-in-time training and ensuring that all IT staff have appropriate access to training. This problem is exacerbated by the lack of relevant training opportunities within the state.

Describe the benefits to be derived from the successful completion of this objective:

This directly benefits DLI as well as employees and supervisors, and indirectly benefits our customers, by having a well-trained, well-rounded, highly productive staff. This will promote retention of IT staff within the department. This objective has special meaning to employees from the younger generations.

Describe the anticipated risks associated with this objective:

By providing appropriate training to staff, DLI risks losing them to other organizations that pay more.

Out of state travel can be cost prohibitive and discouraged by the administration.

Funding cuts can adversely affect training levels.

Describe how this objective supports the agency IT goal:

Identifying appropriate access to training and providing such training will ensure DLI is developing and maintaining a skilled and properly staffed IT workforce.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- A minimum of 40 hours of training per full time IT employee per year will be included in budgets
- New employee orientation is provided (either formally or informally) and documented
- Staff Development Plan is reviewed by both the IT employee and the employee's immediate supervisor to see how training fits into plan, and plan is modified if necessary
- IT employee will provide training documentation to supervisor after training is complete

ITO 1-3 Develop Retention and Succession Plans

Describe the business requirements or business problem driving this objective:

Due to a changing workforce, DLI must meet the needs of its department business requirements by the effective use of cross-training and on-going knowledge transfer to staff.

Describe the benefits to be derived from the successful completion of this objective:

This directly benefits DLI and the IT employees and supervisors, and indirectly benefits other customers, by having well-trained, well-rounded, highly productive IT employees at all times. This also minimizes the need to hire due to staff turnovers.

Describe the anticipated risks associated with this objective:

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Preparing current workforce to retain them longer may not always lead to successful integration with next generations of employees.

Funding cuts may elevate the need for retention and succession planning.

Describe how this objective supports the agency IT goal:

Developing IT staff through planning in an organized, deliberative, and cost-effective manner will help retain them longer and improve productivity to benefit DLI.

What is the timeframe for completion of this objective:

Annually.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Less than 10% vacancy rate (number of vacant IT positions to total IT positions in DLI as computed annually on July 1 of each year)
- Annual review of key/critical IT functions by IT supervisors in consultation with DLI management

Goal Number 2:**ITG 2 Use IT Effectively**Description:

DLI will use IT effectively to improve government services, promote the well-being of Montana's workers, employers, and citizens, and uphold their rights and responsibilities.

Benefits:

Citizens

State Employees

Economies of scale achieved through streamlining operations (virtualization of servers and desktops) and taking advantage of technology (self-service through e-Government services, MITA compliance, and Enterprise Licensing)

Does this goal support the State IT Strategic Plan? Yes. If so, how?

By using IT effectively, we are helping to develop IT resources in an organized, deliberative, and cost-effective manner, which further improves Government services

Supporting Objective/Action**ITO 2-1 Provide IT Solutions**Describe the business requirements or business problem driving this objective:

Meeting customer demands for high availability. Develop and implement solutions which meet statutory requirements.

Describe the benefits to be derived from the successful completion of this objective:

Meeting internal and external customer demands.

Describe the anticipated risks associated with this objective:

Ensuring adequate security, ensuring standards-based, long-lived solutions which do not deviate from enterprise standards.

Describe how this objective supports the agency IT goal:

By choosing appropriate standards and ensuring security, we use IT effectively and avoid cost associated with security lapses and obsolete software technologies.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Will not have security breaches and will have maintainable software that is compliant with industry standards

Supporting Objective/Action**ITO 2-2 Provide Value to Customers**Describe the business requirements or business problem driving this objective:

Provide service to customers outside traditional business hours regardless of geographic location.

Describe the benefits to be derived from the successful completion of this objective:

Transact business whenever and wherever the customer desires.

Describe the anticipated risks associated with this objective:

Ensuring security and maintaining high availability of services.

Describe how this objective supports the agency IT goal:

By allowing citizens to use our services whenever and wherever they desire, our resources are used much more effectively.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Compare percentage of appropriate services that are accessible via the Internet through eGovernment services. Percentage of up time. Use of services.

Supporting Objective/Action

ITO 2-3 Use Teams and Partnerships

Describe the business requirements or business problem driving this objective:

To reduce duplication and increase synergy between internal and external stakeholders.

Describe the benefits to be derived from the successful completion of this objective:

Timely, accurate, and efficient exchange of dynamic data to improve services to the stakeholders.

Describe the anticipated risks associated with this objective:

Many meetings where results are not obtained. Inability to share common data.

Describe how this objective supports the agency IT goal:

Proper user of teams and partnerships allows us to leverage resources enterprise-wide.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Number of hours not in meetings

Goal Number 3:

ITG 3 **Promote IT Security, Privacy, and Recovery Efforts**

Description:

DLI will adopt secure architectures and mitigate security and privacy risks to its systems, infrastructure, and data, and will protect confidential data from accidental disclosure, theft, and destruction.

Benefits:

Protects the privacy of all customers and assures confidentiality of IT information.

Does this goal support the State IT Strategic Plan? Yes. If so, how?

Provides protection of our customers' identities and data.

Supporting Objective/Action

ITO 3-1 Ensure IT System and Application Security

Describe the business requirements or business problem driving this objective:

Ensure against identity theft.

Describe the benefits to be derived from the successful completion of this objective:

No litigation, expense, and bad press that could result from notifying customers in the event of a breach.

Describe the anticipated risks associated with this objective:

Litigation, identity theft, and data loss/compromise.

Describe how this objective supports the agency IT goal:

Ensures data security and quality/integrity, and protects against identity theft.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Credibility with our customers

Supporting Objective/Action

ITO 3-2 Maintain and look for opportunities to improve the Information Technology Disaster Recovery Plan

Describe the business requirements or business problem driving this objective:

Continuity of Operations.

Describe the benefits to be derived from the successful completion of this objective:

Successful recovery of data, if needed, and no interruption of operations.

Describe the anticipated risks associated with this objective:

No business continuity of our services, lack of funding.

Describe how this objective supports the agency IT goal:

Continuous operations of business.

What is the timeframe for completion of this objective:

Continual.

Describe the critical success factors associated with this objective; i.e., how will you know when it has been successfully completed?

- Fully successful recovery of data with minimal disruptions to normal business operations and minimal interruptions of service to customers

SECTION 5: IT INITIATIVES (FY2010 – FY 2015)

5.1 IT Initiatives

Title: UI Tax Modernization

Description:

This project is currently on-hold. This project will be continually reevaluated and will begin at a later date, depending upon economic conditions.

The current Unemployment Insurance Tax System (UIT) was revived in SFY2005 when the Unemployment Insurance Tax program was moved back to the Department of Labor & Industry after the POINTS project was terminated. This system uses old technology (mainframe-based COBOL, CICS, and VSAM), and computer programmers with this type of expertise to support this system are either difficult to find or unwilling to work for the wages the state is able to pay. In the second half of 2008, a feasibility study was conducted on the possibility of replacing or enhancing the current UIT system. The study recommended replacing the UIT system with a framework-based system utilizing current architectures and technology. The 2009 Legislative Session authorized (via HB 10) expenditure of up to \$19,735,567. This includes 6 modified FTE to be dedicated solely to this project.

FTE Requested – 6.00 Modified

Amount Requested: \$19,735,567

EPP Number (if applicable): Not yet assigned.

Title: Department IT Security Program

Description: Add or re-provision staff for Information Security positions within the Office of Information Technology, the Commissioner's Office and divisions. The program will need staff dedicated to management and use of effective security measures including technical solutions to protect data and ensure proper conduct of personnel in relation to the protection of data. Ensure the development and implementation of practical and achievable policies and practices for the protection of business information regardless of media or delivery mechanism. Ensure compliance with regulatory requirements and security best practices as defined by industry experts and the Enterprise. Provide leadership to existing divisional security staff and represent the department on the Enterprise IT security group.

Key position accountabilities:

- Establish and lead an Information Security team comprised of key individuals from the divisions' IT and business groups, designed to identify key security strategies that meet the needs of the department and divisions, comply to regulatory and best practices, and leverage available technology
- Oversee the implementation and documentation of information security policies and procedures identified by the enterprise Information Security group
- Provide direct information security training to all employees, contractors, alliances, and other third parties
- Monitor compliance with the department's information security policies and procedures among all employees, contractors, alliances, and other third parties, and refer problems requiring remediation to appropriate department managers or administrators
- Monitor internal control systems to ensure appropriate information access levels and security clearances are maintained
- Perform information security risk assessments and serve as the internal auditor for information

- security processes
- Ensure preparation and maintenance of the department's disaster recovery and business continuity plans for information systems to ensure business risks are addressed within appropriate recovery timeframes
- Act as an internal consultant to all areas of the department, providing expertise and advice on the security components of information systems and emerging information technologies
- Monitor changes in legislation and accreditation standards that affect information security
- Initiate, facilitate, and promote activities to foster information security awareness within the department
- Serve as the information security liaison for users of all department information technology infrastructure and applications
- Review all system-related information security plans throughout the department and act as liaison to the Department and Enterprise IT Security teams.

The department is gearing up to take a proactive response to IT security on a day-to-day basis. Currently, items like the above fall within the responsibilities of other staff that do not have the time to complete their workload as it is. These duties are important to the department's business, however, they do not have the focused attention of dedicated staff to develop the expertise. In today's environment, all security issues are handled in a reactive fashion. Projects like the disaster recovery and business continuity plans will have dedicated staff to provide continual assessment and enhancements. Currently, these duties are only a priority when demanded. These plans have not been tested and are more than likely out of date due to workload of existing staff.

EPP Number (if applicable): NA

Title: Building Standards System

Description This is a new system to provide business and technical services related to a comprehensive statewide data management and e-permitting system for State Building Codes responsibilities.

The Bureau of Building and Measurement Standards (BBMS), in accordance with Title 50, Chapter 60, and Title 50, Chapter 74, MCA, establishes and enforces minimum building (including accessibility), plumbing, mechanical, electrical, energy, elevator, and boiler codes used by state and local governments in Montana. Additionally, BBMS sets operating standards, provides technical assistance and annual certification to local governments (ARM 24.301.207 (1) through (4)).

In addition to the state, there are currently 46 local building departments, known in Montana as Certified Local Governments (certified cities, counties and towns), that issue and track building-related permits and conduct plan reviews and inspections using a variety of manual and technology-enabled systems.

The BBMS is responsible for reviewing annual reports, and conducting performance audits, for each local jurisdiction as a requirement of continuing certification.

The primary goal of this project is acquiring a data management and customer service system to better serve the needs of the citizens of Montana, the design-build community and the Department of Labor and Industry.

In response to this identified requirement, the BBMS initiated a process of conducting an internal business process analysis and system requirement evaluation to provide business and technical services related to a comprehensive statewide data management and e-permitting system and solicited a Request for Proposal (RFP).

The appropriate vendor responses to the RFP were evaluated and a contract was awarded.

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Amount Requested: \$2 million

These monies were appropriated and approved in the 2009 legislative session. A contract with a vendor has been signed with an implementation target date in the September/October 2010 timeframe.

EPP Number (if applicable): Not yet assigned

Title: Licensing Standard System

Description: This is a new system to provide to the licensing bureaus (Business and Occupational Licensing and the Health Care Licensing) business and technical services related to a comprehensive data management and e-government licensing for 40 boards and programs and approximately 137 license types.

The Business Standards Division (BSD) within the Department of Labor and Industry is charged with licensing and regulating persons and businesses engaged in specific professions and occupations within Title 37 of the Montana Code Annotated (MCA).

The primary goal of this project is to acquire a system that is very comprehensive in that it will include the ability to track all data from the original application to the issuance of the license and provide additional services to the citizens of Montana via e-government.

In response to this identified requirement, the BSD initiated a process of conducting an internal business process analysis and system requirement evaluation to provide business and technical services related to a comprehensive statewide data management and e-government system.

BSD management was originally considering soliciting bids via a formal request for proposal (RFP) process, but in the interest of time constraints and cost, we decided to pursue a different tact which consisted of reviewing two licensing vendors that provided Commercial-Off-the-Shelf licensing software. Both of these vendors have existing contracts with the state and both vendors provided the necessary functionality within their offerings.

Amount Requested: \$2 million

These monies were appropriated and approved in the 2009 legislative session. A contract with a vendor has been signed with an implementation target date of February 2011.

EPP Number (if applicable): Not yet assigned

Title: Prescription Drug Monitoring Program

Description:

The primary purpose of this application would be to enhance regulatory and law enforcement agencies and public health officials to collect and analyze controlled substance prescription data through a centralized database administered by the Board of Pharmacists.

Amount Requested: unknown at this time

EPP Number (if applicable): Not yet assigned.

Title: UEF

Description: One of the primary functions required by Uninsured Employers Fund (UEF) is a system that is able to track the entire process of investigating a report of a violation of Montana statute requiring employers to have Workers' Compensation Insurance for their employees.

The UEF of the Workers' Compensation Regulation Bureau, which is part of the Department of Labor and Industry's Employment Relations Division, is seeking information about possible Commercial-Off-the-Shelf packages which can help it to replace a custom-built system. The current system helps to track the investigatory process of the program's auditors. It also tracks any and all actions taken against a party that has been found in violation of Montana statute as regards the maintenance of proper Workers' Compensation insurance. These actions include educational training, fines, penalties, and in certain instances, liens against the offending party's assets.

The current system used by UEF is part of a monolithic program called WCAP which was developed in PowerBuilder. WCAP is being deprecated and more modular applications are being developed to replace the functionality of the current system.

Amount Requested: unknown at this time

SECTION 6: ENTERPRISE ALIGNMENT

6.1 State Strategic Plan for IT Alignment

Please indicate which Communities of Interest your agency plans to be involved in. Agencies are asked to select at least one, but can select as many as needed. Further planning work by the communities of interest will take place following submission of agency IT plans.

- ☒ Government Services
- ☒ Public Safety
- ☐ Human Resources
- ☐ Environmental
- ☐ Education
- ☒ Economic
- ☐ Cultural Affairs
- ☒ Finance

The ERD Safety & Health Bureau assists state agencies with their safety needs throughout the state. We provide four essential services.

1. Provide consultation services upon request
2. Train state workers at our training workshops
3. Investigate safety complaints
4. Perform safety walkthroughs, and reports, on selected state facilities

We also have safety focus groups in the larger cities. These groups help both public and private employers improve safety in their local communities.

Finance

Need requirement: Automated system for tracking contracts/other procurements. Explore People Soft Contract Module as a statewide solution.

Business Standards Division

Building Codes Bureau provides for the following communities of interest:

- Protect the health, safety of the public, employees and prospective building owners in the state by enforcing and adopting appropriate minimum building codes to promote construction of safe and energy efficient buildings and components (elevators, boilers, electrical and plumbing systems).

- Provides government services and education to the building industries by sponsoring various building seminars throughout the year of upcoming building requirements.

The Licensing bureaus (Health and Business and Occupational) provide for the following communities of interest:

- Promotes government service, public safety and welfare of the public by assisting and advising boards to maintain high standards of excellence within the regulated professions and occupations within the state.

Weights and Measures Bureau provides for the following communities of interest:

- Economic and government service in that the bureau provides for the licensing, inspecting, testing and certification of all weighing or measuring devices used within commercial transactions within the state of Montana. The bureau also enforces laws to enforce quantity of prepackaged goods and the quality of petroleum products.

SECTION 7: EXPENDITURES

7.1 Planned Agency IT Expenditures

<u>Expense Category</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Personal Services	\$3,513,121	\$3,784,088	\$3,897,611	\$4,014,539	4,134,976	\$4,259,025
Operating Expenses	\$6,921,382	\$5,250,604	\$5,358,525	\$5,614,514	\$5,620,420	\$5,883,404
Initiatives	\$2,200,995	\$2,449,005	\$450,000	\$450,000	\$450,000	\$450,000
Other expenditures		\$9,008,062	\$4,414,820	\$6,312,685		
Totals	0\$12,636,098	0\$20,491,760	\$14,120,956	\$16,391,739	0\$10,205,395	0\$10,592,429

NOTE: OTHER EXPENDITURES INCLUDE THE UI TAX SYSTEM WHICH WAS PUT ON HOLD IN SFY 2010

SECTION 8: ENTERPRISE IT INVENTORY

8.1 Inventory Update

Has the Agency updated their IT Inventory Database as outlined in Section 8 of the instructions? _ Yes _

Date that Agency last updated their IT Inventory: _03/05/2010 _

SECTION 9: ADDITIONAL INFORMATION - OPTIONAL

Other types of information that support the agency's IT Plan. Some examples might include other COI participation, reference to other IT plans such as GIS plan, eGovernment plan, security plan, staffing issues and constraints, etc.

The new Building Codes ePermit system (target implementation date of September 2010) will include GIS data which will also be utilized by other state agencies and entities. We will also be incorporating SLAs with many of the certified cities/counties within the state. Many new economies, data sharing with other agencies, reduction in state employee travel costs and the need for field audits, and accurate current statistical reports will come from this system.

Independent Contractor and Contractor Registration

New legislation was introduced in the form of SB 204 which required ERD to convert hard copy Independent Contractor Exemption Certificate (ICEC) files and hard copy Contractor Registration (CR) files with ICECs into imaged documents (scan-searchable PDFs) so that we would simplify the ICEC renewal process. This enables applicants to renew their ICECs and CRs with ICECs in a more simplified manner. We review the imaged business documentation the applicant provides when applying for their ICEC, and then we verify that information so the applicant does not have to continue sending the same documents each year.

We are in the process of converting 17,000 active ICEC files and approximately 6000 CR files with ICECs from hard copy files into imaged files using FileNet. We began with all ICEC and CRs with ICEC files that were going to expire in October 2009 through September 2011. We also began scanning new ICEC files and CRs with ICEC files on July 1, 2009, and will continue indefinitely. The number of new or renewal ICEC applications that we receive each year is approximately 8000 files and about 3000 CRs with ICEC files.

Uninsured Employers' Fund

FileNet is the Uninsured Employers' Fund (UEF) electronic document storage system that was put into production around April 2009. We scan copies of all case documents into FileNet. These documents are retrieved frequently for use in court challenges, case review, and lien document retrieval for our commercial collection agency. About 185 documents are scanned each week.

Human Rights Bureau

The Human Rights Bureau will be implementing FileNet storage in February 2010, as a cost-savings measure. The Bureau currently stores upwards of 900 boxes of files in hardcopy at approximately \$4,000 per year. By converting the archived files to electronic storage, HR will enjoy the benefit of more precise document filing and retrieval. The Bureau's files are commonly requested for appeals and court proceedings. FileNet will significantly reduce the amount of staff time devoted to retrieval, copy, and mailing. FileNet will also provide a calculated purging system to ensure the Bureau does not unnecessarily retain documents beyond their retention schedule.

Risks

Risk 1: Funding risks

Impact: Decrease in funding potentially impacts staff levels, timely replacement of hardware and software, upgrades to older systems, and development of new applications.

Mitigation Strategy: The department must constantly assess its business needs and evaluate how IT can be used to meet changes in these business needs in the most cost-effective, efficient manner.

Risk 2: Legislative Risks

Impact: Mandates and legislative changes can cause large workload issues under tight timeframes and could require the need for contracted IT staff.

Mitigation Strategy: DLI must stay informed at the state and federal level, monitoring potential mandates and legislative changes that would require the department to modify its business practices and corresponding IT processes to ensure any changes are done in a productive, efficient manner.

Risk 3: Workload Risks

Impact: DLI could experience project delays and missed funding opportunities

Mitigation Strategy: Better project management, hiring practices, and communication among agencies will help counteract high staff workloads within DLI, other agency impacts on which DLI is dependent, and vendor issues that all can significantly increase the potential for project delays and missed funding opportunities.

Risk 4: Succession Planning

Impact: Large reductions in highly-trained IT and business-related staff due to retirements

Mitigation Strategy: Identify key jobs within the department. Ensure replacements for key job incumbents in executive, management, technical, and professional positions within the department by identifying high-potential employees capable of rapid advancement to positions of higher responsibility than those they presently occupy; ensure the systematic and long-term development of individuals to replace key job incumbents as the need arises due to turnover, deaths, disabilities, retirements, and other unexpected losses; provide a continuous flow of talented people to meet the organization's management, professional, and technical needs; and provide a career ladder for interested staff.

Risk 5: Dependencies

Impact: The department relies on other agencies and entities to provide data, network bandwidth, e-Government access, centralized imaging and workflow services, and database hosting in order to complete business functions.

- Workflow and Imaging are Enterprise solutions supported by DOA/ITSD. These services must be without interruption in order to carry out the business need for unemployment claims processing and license verifications. When these services fail, DLI is unable to meet the customers' needs.
- Database housing services must stay functional in order for Unemployment, Workforce Services, Business Standards and Employment Relations divisions' applications to be operational to customers. These applications are available to our customers 24x7.
- Network bandwidth is critical to providing data including video and audio streaming and conferencing, on-line training and testing, video conferencing, and applications to our customers.
- Network bandwidth needs to accommodate the existing services for all agencies and the new growth and use. DLI continues adding self-service Internet applications for our customers, some of which are federally mandated. The network needs to be available for internal and external use for activities such as training and web conferencing to reduce travel costs and to meet the goals of the 20x10 initiative.
- E-government services like ePass must be functional for DLI customers to access UI4Employers and the Professional Licensing and Building Codes applications 24x7.

Mitigation Strategy: Work with the agency that we are dependent on for service to understand our business requirements and find solutions to provide redundancy and/or fault tolerance for the service where affordable and applicable.

Risk 6: Cost of services by outside providers

Impact: Dependencies like database hosting, workflow, and imaging services costs are higher than if the agency purchased the equipment and software themselves.

Mitigation Strategy: Work to obtain costs for the department that are reasonable. Gather information from our providers to understand why the cost is higher. As a last resort, change agency direction. This would entail the department understanding the actual costs and benefits along with the risks to change direction.

Risk 7: Technology obsolescence

Impact: No migration path

Mitigation Strategy: Identify alternative solutions to provide service to customers for Licensing and ePermits.